Policy for responsible business conduct – BLÅBÆR Production AS

Passed by board of BLÅBÆR Production AS. Last modified 04.05.2021.

Introduction

BLÅBÆR Production strives towards responsible business conduct that respects people, society and the environment. This policy document, including our Code of Conduct, forms the foundation of our sustainability work.

BLÅBÆR Production considers responsible business conduct to be a prerequisite for sustainable development, meaning that today's generation get their needs covered without compromising the ability of future generations to meet their own needs[1]. The UN Sustainable Development Goals (SDGs) is the world's joint action plan for sustainable development. BLÅBÆR Production works actively with the Sustainable Development Goals.

As a member of Ethical Trade Norway BLÅBÆR Production commits to working actively with due dilligence for responsible business conduct[2]. Due diligence is a risk-based approach to respect and safeguard people, society and the environment in our own business and throughout the supply chain. We expect our suppliers and partners to follow the same approach.

Requirements - own business

BLÅBÆR Production acknowledges that our business conduct can potentially have negative impact on people, society and the environment. At the same time, we see the potential to contribute to positive development in the supply chain. With this in mind, we have compiled the following principles and criteria guiding our own business:

Due diligence

BLÅBÆR Production shall conduct due diligence for responsible business conduct. This involves; conducting risk assessments to identify potential negative impact on people, society and the environment and to stop, prevent and reduce such impact. The measures put in place are monitored and their effect evaluated. The measures are communicated to those affected by our actions. If our activities are found to cause or contribute to negative impact on people, society or the environment, we will stop the activities and seek to provide remedy. If our supplier is responsible for the negative impact, the supplier is responsible for providing remedy.[3]

Responsible purchasing practices

BLÅBÆR Production considers responsible purchasing practices to be one of our most important tools for responsible business conduct. BLÅBÆR Production shall adapt our purchasing practices in order to strengthen, and not undermine, our suppliers' ability to deliver on our requirements related to people,

[1] *The Brundtland commission, «Our Common Future», 1987*

[2] *UN OHCHR, Guiding Principles on Business and Human Rights (UNGP)", 2011; OECD, «Due Diligence Guidance for Responsible Business Conduct», 2018.*

[3] *OECD, «Due Diligence Guidance for Responsible Business Conduct», 2018.*

society and the environment. We strive towards lasting supplier relationships with suppliers who show a particular willingness and ability to create positive developments in the supply chain.

Freedom of association and worker representation

BLÅBÆR Production supports the right to freedom of association and other forms of democratically elected worker representation. We shall involve worker representatives and other relevant stakeholders in our work with responsible business conduct.

Supplier development and partnership

In dialogue with suppliers we will consider, if needed, to contribute with capacity building or resources that enable our suppliers to comply with BLÅBÆR Production's requirements related to responsible business conduct. This way we lay the foundation for collaboration with suppliers that show the willingness and ability to work on positive development for people, society and the environment in the supply chain.

Anti-corruption

BLÅBÆR Production, including all employees, shall never offer or receive illegal or inappropriate monetary gifts or other remuneration to achieve private or business benefits in their own interest or in the interest of customers, agents or suppliers.

Countries affected by trade boycott

BLÅBÆR Production, including all our suppliers and partners, shall avoid trading with partners that have activities in countries where a trade boycott is imposed by the UN and/or Norwegian Government authorities.

Requirements - conditions in the supply chain

We expect our suppliers and partners to work focused and systematically to comply with our guidelines for suppliers, hereunder our code of conduct, that covers fundamental requirements on human rights, labour rights, anti-corruption, animal welfare and the environment. Our suppliers shall:

- Follow our guidelines for suppliers, hereunder the Code of Conduct.
- Conduct due diligence for responsible business conduct. This involves; conducting risk assessments to identify potential negative impact on people, society and the environment and to stop, prevent and reduce such impact. The measures put in place must be monitored and their effect evaluated. The measures taken must be communicated to those affected by your actions. If the supplier is responsible for the negative impact/damage, they are responsible for providing remedy.[4]
- Show willingness and ability to continuous improvement for people, society and the environment through collaboration.
- At the request of BLÅBÆR Production be able to document how they, and potential subcontractors, work to comply with the guidelines.

[4] *OECD, «Due Diligence Guidance for Responsible Business Conduct», 2018.*

If the supplier, after several requests by BLÅBÆR Production, does not show the willingness or ability to comply with the guidelines for suppliers, the contract may be cancelled.

Principles for responsible business conduct (Code of Conduct)

These principles for responsible business conduct are based on UN and ILO conventions and provide minimum, not maximum standards. The relevant legal framework at the place of production shall be respected. Where national laws and regulations address the same subjects as these guidelines, the most stringent shall apply.

BLÅBÆR Production is committed to working closely with our suppliers and business partners to achieve a long-term, sustainable social and environmental standard in the facilities that manufacture our products.

1. Forced and compulsory labour (ILO Conventions Nos. 29 and 105)

1.1. There shall be no forced, bonded or involuntary prison labour.

1.2. Workers shall not be required to lodge deposits or identity papers with their employer and shall be free to leave their employer after reasonable notice.

2. Freedom of Association and the Right to Collective Bargaining (ILO Conventions Nos. 87, 98, 135 and 154)

2.1. Workers, without distinction, shall have the right to join or form trade unions of their own choosing and to bargain collectively. The employer shall not interfere with, obstruct, the formation of unions or collective bargaining.

2.2 Workers' representatives shall not be discriminated and shall have access to carry out their representative functions in the workplace.

2.3 Where the right to freedom of association and/or collective bargaining is restricted under law, the employer shall facilitate, and not hinder, the development of alternative forms of independent and free workers representation and negotiations.

3. Child Labour (UN Convention on the Rights of the Child, ILO Conventions Nos. 138, 182 and 79, and ILO Recommendation No. 146)

3.1. The minimum age for workers shall not be less than 15 and comply with the national minimum age for employment, or; the age of completion of compulsory education, whichever of these is higher. If local minimum is set at 14 years in accordance with developing country exceptions under ILO Convention 138, this lower age may apply.

3.3. There shall be no recruitment of child labour defined as any work performed by a child younger than the age(s) specified above.

3.4. No person under the age of 18 shall be engaged in labour that is hazardous to their health, safety or morals, including night work.

3.5. Policies and procedures for remediation of child labour prohibited by ILO conventions no. 138 and 182, shall be established, documented, and communicated to personnel and other interested parties. Adequate support shall be provided to enable such children to attend and complete compulsory education.

4. Discrimination (ILO Conventions Nos. 100 and 111 and the UN Convention on Discrimination Against Women)

4.1. There shall be no discrimination at the workplace in hiring, compensation, access to training, promotion, termination or retirement based on ethnic background, caste, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

4.2. Measures shall be established to protect workers from sexually intrusive, threatening, insulting or exploitative behaviour, and from discrimination or termination of employment on unjustifiable grounds, e.g. marriage, pregnancy, parenthood or HIV status.

4.3 Migrant workers shall have the same entitlements as local workers. The employer must cover any commissions and other fees in connection with employment of migrant workers.

4.4 Workers employed through an agent or contractor are the responsibility of the supplier and other business partners and are thus covered by this Code.

5. Harsh or Inhumane Treatment (UN Covenant on Civil and Political Rights, Art. 7)

5.1. Physical abuse or punishment, or threats of physical abuse, sexual or other harassment and verbal abuse, as well as other forms of intimidation, is prohibited.

6. Health and Safety (ILO Convention No. 155 and ILO Recommendation No. 164)

We require our suppliers and other business partners to make Workers' safety a priority at all times.

6.1. The working environment shall be safe and hygienic, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Hazardous chemicals and other substances shall be carefully managed. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in, the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

6.2. Workers shall receive regular and documented health and safety training, and such training shall be repeated for both new and reassigned workers.

6.3. Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.

6.4. Accommodation, where provided, shall be clean, safe and adequately ventilated, and shall have access to clean toilet facilities and potable water.

6.5 Fire Safety; Emergency exits on all floors must be clearly marked, well lit and unblocked all the way out of the building. Evacuation through emergency exits must be possible at all times. Evacuation plans and firefighting equipment must be in place.

7. Wages (ILO Convention No. 131)

7.1. Wages and benefits paid for a standard working week shall as minimum meet national legal standards or industry benchmark standards, whichever is higher. Wages should always be enough to meet basic needs, including some discretionary income.

7.2. All workers shall be provided with a written and comprehensible contract outlining their wage conditions and method of payments before entering employment.

7.3. Deductions from wages as a disciplinary measure shall not be permitted.

8. Working Hours (ILO Convention No. 1 and 14)

8.1. Working hours shall comply with national laws and benchmark industry standards, and not more than prevailing international standards. Weekly working hours should not on a regular basis be more than 48 hours.

8.2. Workers shall be provided with at least one day off for every 7 day period

8.3. Overtime shall be limited and voluntary. Recommended maximum overtime is 12 hours per week, i.e. that the total working week including overtime shall not exceed 60 hours. Exceptions to this are accepted when regulated by a collective bargaining agreement.

8.4. Workers shall always receive overtime pay for all hours worked over and above the normal working hours (see 8.1 above), minimum in accordance with relevant legislation.

9. Regular Employment (ILO Convention No. 95, 158, 175, 177 and 181)

9.1. Obligations to employees under international conventions, national law and regulations concerning regular employment shall not be avoided through the use of short term contracting (such as contract labour, casual labour or day labour), sub-contractors or other labour relationships.

9.2. All workers are entitled to a contract of employment in a language they understand.

9.3. The duration and content of apprenticeship programmes shall be clearly defined.

10. Marginalized Populations (UN Covenant on Civil and Political Rights, art. 1 and 2)

10.1. Production and the use of natural resources shall not contribute to the destruction and/or degradation of the resources and income base for marginalized populations, such as in claiming large land areas, use of water or other natural resources on which these populations are dependent.

11. Environment

11.1. Negative impact on the environment shall be reduced throughout the value chain. In line with the precautionary principle, measures shall be taken to continuously minimize greenhouse gas emissions and local pollution, the use of harmful chemicals, pesticides, and to ensure sustainable resource extraction and management of water, oceans, forest and land, and the conservation of biodiversity.

11.2. National and international environmental legislation and regulations shall be respected and relevant discharge permits obtained.

12. Corruption

12.1. Corruption in any form is not accepted, including bribery, extortion, kickbacks and improper private or professional benefits to customers, agents, contractors, suppliers or employees of any such party or government officials.

13. Animal welfare

13.1 Animal welfare shall be respected. Measures should be taken to minimize any negative impact on the welfare of livestock and working animals.

13.2 National and international animal welfare legislations and regulations shall be respected.

13.3 BLÅBÆR Production does not accept wool from sheep who have been subject to mulesing, and and require our suppliers to follow same practice.

14. Transparency

14.1 We expect our suppliers and other business partners to be transparent and not to intentionally mislead our auditors. We believe in co-operation and we are willing to work with our suppliers and other business partners to achieve sustainable solutions and to promote suppliers and other business partners who are in compliance.

14.2 All suppliers and other business partners are obliged to keep us informed at all times, of where each product is being produced. Relevant and verifiable documentation must be maintained for auditing purposes. We reserve the right to make unannounced visits to all units producing goods or services for us, at any time. We also reserve the right to appoint an independent third party of our choice to conduct audits in order to evaluate compliance with this Code. During audits, we require unrestricted access to all areas of the premises, to all documents and to all workers for interviews.